



## PRESS RELEASE

### United Nations agencies and the private sector partner to highlight progress for REDD+ implementation in Asia

**JAKARTA, INDONESIA 6 May 2014** – United Nations (UN) agencies and the private sector convened on the 5<sup>th</sup> and 6<sup>th</sup> of May 2014 at the Forests Asia Summit in Jakarta to promote reducing emissions from deforestation and forest degradation (REDD+) as part of a green economy. The United Nations Office for REDD+ Coordination in Indonesia (UNORCID), the UN-REDD Programme, United Nations Environment Programme (UNEP) and the UNEP Finance Initiative (UNEP-FI) jointly hosted two REDD+ related events at the summit entitled ‘Building natural capital: How REDD+ can support a green economy’ and ‘Seeing Green in REDD – Sharing experiences on the equity and economics of REDD+ pilot projects’.

The role of forests and land use is now widely understood to be critical to the transition to a Green Economy. Initiatives to transform forest governance, in particular REDD+, are being integrated within the development planning processes of several Asian countries. Furthermore, the regional perspectives and experiences emerging from Asia on this issue will help to strengthen capacities across the region and around the globe as countries gear up to implement REDD+.

The UN-hosted summit events, building on the main findings of the recently released report by the International Resource Panel and the UN-REDD Programme, [Building Natural Capital: How REDD+ Can Support a Green Economy](#), addressed a variety of themes associated with REDD+ and its integration within the Green Economy agenda, including social equity, private sector engagement, education and awareness raising, and institutional development. Discussions considered the potential for “green bonds” as a high value, novel mechanism to direct financing towards green economic development over business-as-usual investments. Mark Burrows, Managing Director and Vice Chairman, Global Investment Banking, Credit Suisse, framed the opportunity saying, “The single largest pool of private sector capital is invested in high quality bonds. Given the strained state of public sector finances it is increasingly clear that we need to tap into these large pools of private sector capital.”

The discussions further highlighted that operationalizing REDD+ and facilitating green growth involve profound shifts in the ways we value natural capital and make investment decisions. H.E Heru Prasetyo, Head of Indonesia’s REDD+ Agency, remarked, “The biggest challenge facing REDD+ and the Green Economy is business-as-usual.” Some of these transitions are already embodied by REDD+, such as the valuation of carbon stocks, attempts to access private sector finance, increasing focus on governance reform and transparency and equitable benefit sharing. However, the need to harmonize activities across sectors – be it forestry, agriculture or energy and mining – with Green Economy objectives was stressed.

In addition to the innovations of green bonds, the discussions highlighted mechanisms that can be leveraged now by governments to improve project economics. Andrew Mitchell from the Global

Canopy Programme stated, “We have to change the fundamental rules of the game – that is tariffs, subsidies and the cost of credit.” Shelagh Whitley from the Overseas Development Institute further emphasized that, “There is an urgent need to look at existing policies that encourage deforestation.”

For REDD+ projects on the ground, better governance and transparency are vital in order to bring more investors to the table. Dharsono Hartono, President and Director of PT Rimba Makmur Utama, shared his perspective as a business operator, saying, “In Indonesia you need a paradigm shift as well as the patience to wait and have your way in fostering conscientious ways of doing business. To change this paradigm there must be better governance and transparency.”

H.E. Ola Elvestuen, Head of the Parliamentary Committee for Energy and Environment, Kingdom of Norway, brought an international perspective, demonstrating that buy-in from the international community is key in implementing REDD+ at the national level. “If you can establish the right systems on a global level then there will also be a larger input when it comes to transfer of resources to Indonesia,” said Elvestuen.

Moderating the day’s sessions, Satya Tripathi, Director of UNORCID, called attention to Indonesia’s opportunity to play a leading role in sharing lessons learned with the world on REDD+ implementation.

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